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June 28, 2005

RECORDATION NO. W-80 FILED

JUN 29 '05

10-43 AM



VIA COURIER

SURFACE TRANSPORTATION BOARD

Vernon A. Williams
Secretary
Surface Transportation Board
ATTN: Recording Department
1925 K Street NW
Washington, DC 20423

Re: Recordation of Documents--Watercraft
Lessor: Key Equipment Finance Inc.
Lessee: Moran Towing Corporation
Equipment: Towing Vessel LYNNE MORAN; Official No. 1168847

Dear Mr. Secretary:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

- (a) Memorandum of Bareboat Charter Party, a primary document, dated June 28, 2005.
- (b) The names and addresses of the parties to the document are as follows:

Owner/ Lessor: Key Equipment Finance Inc.
66 South Pearl Street, 8th Floor
Albany, NY 12207

Vernon A. Williams, Secretary
Surface Transportation Board
June 28, 2005
Page 2



Charterer/Lessee: Moran Towing Corporation
50 Locust Avenue
New Canaan, CT 06840

(c) A description of the equipment covered by the document follows:

(i) Towing vessel: LYNNE MORAN; Official No. 1168847

A recording fee of \$33.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to:

Richard J. Schroeder
Davis Wright Tremaine LLP
2600 Century Square
1501 – 4th Avenue
Seattle WA 98101-1688

A short summary of the document to appear in the index follows:

Primary Document: Memorandum of Bareboat Charter Party, dated June 28, 2005, between Key Equipment Finance Inc., as Owner and lessor and Moran Towing Corporation, as Charterer and lessee covering the vessel LYNNE MORAN; Official No. 1168847 having a Hailing Port of Wilmington, Delaware.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in black ink, appearing to read 'Richard J. Schroeder', written over the printed name.

Richard J. Schroeder
RJS/gk

Enclosures

RECORDATION NO. W-80 FILED

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SURFACE TRANSPORTATION BOARD



MEMORANDUM OF BAREBOAT CHARTER PARTY

between

KEY EQUIPMENT FINANCE INC.,

("OWNER")

and

MORAN TOWING CORPORATION

("CHARTERER")

JUNE 28, 2005

Filed with the Surface Transportation Board pursuant to
49 U.S.C. §11301 on _____, 2005, at ____ a.m./p.m.
Recordation Number ____

MEMORANDUM OF BAREBOAT CHARTER PARTY

This Memorandum of a Bareboat Charter Party is made and entered into as of June 28, 2005, by and between Key Equipment Finance Inc., a Michigan corporation ("Owner") and Moran Towing Corporation, a New York corporation ("Charterer").

WITNESSETH:

1. Pursuant to a Bareboat Charter Party dated June 28 2005 ("Bareboat Charter"), Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one U.S. flag ocean towing vessel named LYNNE MORAN, Official No. 1168847, as identified on Schedule 1 attached hereto.
2. The Bareboat Charter shall be effective as of the date first set forth hereinabove and shall be subject to the Charter Period, as defined in the Bareboat Charter.
3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

OWNER:

KEY EQUIPMENT FINANCE INC.

By: 

Michael A. Wood

Regional Business Unit Manager

CHARTERER:

MORAN TOWING CORPORATION

By: _____

Jeffrey J. McAulay

Vice President

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This Memorandum of a Bareboat Charter Party is made and entered into as of June 28, 2005, by and between Key Equipment Finance Inc., a Michigan corporation ("Owner") and Moran Towing Corporation, a New York corporation ("Charterer").

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1. Pursuant to a Bareboat Charter Party dated June 28 2005 ("Bareboat Charter"), Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one U.S. flag ocean towing vessel named LYNNE MORAN, Official No. 1168847, as identified on Schedule 1 attached hereto.

2. The Bareboat Charter shall be effective as of the date first set forth hereinabove and shall be subject to the Charter Period, as defined in the Bareboat Charter.

3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

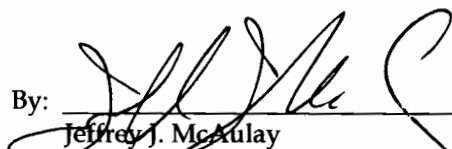
OWNER:

KEY EQUIPMENT FINANCE INC.

By _____
Michael A. Wood
Regional Business Unit Manager

CHARTERER:

MORAN TOWING CORPORATION

By:  _____
Jeffrey J. McAulay
Vice President

STATE OF NEW YORK)
) ss.
COUNTY OF ALBANY)

On this 27th day of June, 2005, before me personally appeared Michael A. Wood, to me personally known, who being by me duly sworn, says that s/he is the Regional Business Unit Manager of KEY EQUIPMENT FINANCE INC., that the foregoing instrument was signed on behalf of said corporation as its free act and deed.

James M. Kresge
NOTARY PUBLIC
My commission expires: 4/1/06
~~JAMES M. KRESGE~~
Notary Public, State of New York
No. 01KR505845
Qualified in Albany County
Commission Expires April 1, 2006

STATE OF CONNECTICUT)
) ss.
COUNTY OF FAIRFIELD)

On this ____ day of June, 2005, before me personally appeared Jeffrey J. McAulay, to me personally known, who being by me duly sworn, says that he is the Vice President of MORAN TOWING CORPORATION, a New York corporation, that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC
My commission expires: _____

STATE OF NEW YORK)
) ss.
COUNTY OF ALBANY)

On this ____ day of June, 2005, before me personally appeared Michael A. Wood, to me personally known, who being by me duly sworn, says that s/he is the Regional Business Unit Manager of KEY EQUIPMENT FINANCE INC., that the foregoing instrument was signed on behalf of said corporation as its free act and deed.

NOTARY PUBLIC
My commission expires: _____

STATE OF CONNECTICUT)
) ss.
COUNTY OF FAIRFIELD)

On this 28th day of June, 2005, before me personally appeared Jeffrey J. McAulay, to me personally known, who being by me duly sworn, says that he is the Vice President of MORAN TOWING CORPORATION, a New York corporation, that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

Theone Saltis

NOTARY PUBLIC
My commission expires: 8-31-05

THEONE SALTIS
NOTARY PUBLIC
NO. 94856
MY COMM. EXPIRES AUGUST 8/31/2005

SCHEDULE 1

Vessel subject to Bareboat Charter Party dated June 28, 2005 between Key Equipment Finance Inc., as Owner, and Moran Towing Corporation, as Charterer.

| VESSEL | OFFICIAL NUMBER |
|---------------|------------------------|
| LYNNE MORAN | 1168847 |

and all equipment located onboard or used in connection with the above described vessels, the whole of the vessels, together with her boilers, engines, generators, air compressors, cranes, machinery, masts, spars, riggings, boats, anchors, cable, chains, tackle, tools, pumps and pumping equipment, apparel, furniture, furnishings, fittings, spare parts, stores, and all other appurtenances thereunto appertaining or belonging, whether now owned or hereafter acquired, whether or board or not, and all additions, renewals and replacements hereafter made in or to the vessels, and proceeds thereof.